

State of California
Business, Transportation and Housing Agency
Department of Transportation

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HIGHWAY FINANCIAL MATTERS
Allocations for Supplemental Funds
Resolution: FA-99-07
CTC Meeting: March 29-30, 2000

Agenda Item: 2.5e



W. J. EVANS, Deputy Director
Finance
March 1, 2000

**ALLOCATION FOR ADDITIONAL FUNDS
FOR PREVIOUSLY APPROVED PROJECTS**

RESOLUTION FA-99-07

RECOMMENDATION

The Department recommends the following Resolution be approved.

FINANCIAL RESOLUTION

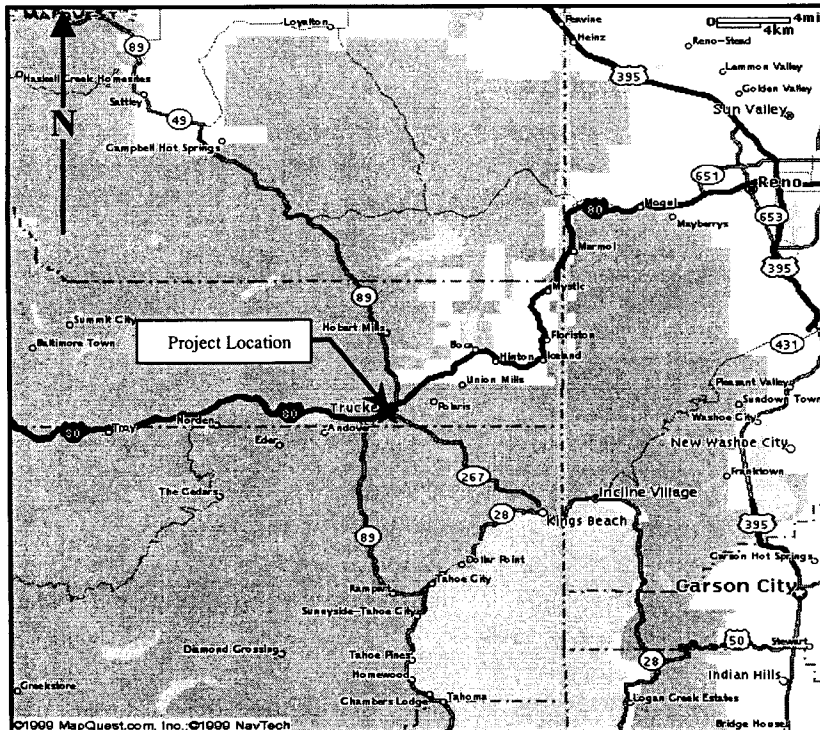
Resolved, that \$3,546,000 be allocated from Budget Act Items 2660-301-0042 and 2660-301-0890 Budget Acts of 1997, 1998 and 1999 to provide additional funds for the projects on the attached sheet.

SUMMARY AND CONCLUSIONS

This resolution allocates \$3,546,000 of additional State and Federal funds for five (5) previously approved projects listed below.

<u>Project</u>	<u>Dist-Co-Rte</u>	<u>Original Vote/G11 Amount</u>	<u>Award Amount</u>	<u>Current Budget Amount</u>	<u>Current Allocation Revision</u>	<u>Revised Budget Amount</u>	<u>Total Increase Vote/Award</u>
1	03-Nev-267	\$300,000	\$300,000	\$300,000	\$520,000	\$820,000	173%V
2	05-SLO-101	\$5,940,000		\$5,940,000	\$1,207,000	\$7,147,000	20%V
3	08-SBd-15	\$8,333,000		\$8,333,000	\$1,614,000	\$9,947,000	19%V
4	12-Ora-55	\$2,853,000	\$2,188,000	\$2,593,000	\$205,000	\$2,798,000	28%A

Project #	Allocation Amount	Recipient	County	Dist-Co-Rte	Postmile	Location	Project Description	Reason for Supplemental Funds	EA PPNO Budget Year Item # Program Codes Program	State Federal Current Budget Amount	State Federal Additional Allocation	State Federal Revised Total Amount
1	\$520,000	Department of Transportation	Nevada	03N-Nev-267	0.87	On Route 267, Highway Post Mile 0.87.	Install concrete surfacing.	Supplemental funds are needed for ongoing project.	1A3708 1997-98 301-0042 301-0890 20.20.204.620 Minor	\$30,000 \$270,000 \$300,000	\$52,000 \$468,000 \$520,000	\$82,000 \$738,000 \$820,000



PROJECT DESCRIPTION

This project is on State Route 267, in the City of Truckee, in Nevada County. This is a railroad grade crossing safety project consisting of removing the existing surfacing and installing new concrete surfacing across the tracks.

FUNDING STATUS

This project was programmed in the Department's Minor A program for \$300,000 in the 1997/98 FY. The project received an allocation in the amount of \$300,000 in December 1997. This is a "Financial Contribution Only" project to the Union Pacific Railroad (UPRR) company.

This request for \$520,000 in additional funds to begin construction of the project is an increase of 173% over the programmed amount.

BACKGROUND

This is a "Federal-130" Program project. The "Federal-130" program is a federally mandated program that is administered by the Department. Under this program, projects are nominated to the California Public Utilities Commission (CPUC) for inclusion in a list of at-grade crossing projects eligible for funding as safety improvements.

This project was included on the CPUC list for 1997/98 and a service contract was executed with the UPRR for the removal and replacement of concrete surfacing at the crossing. As part of the Highway 267 relinquishment agreement to the City of Truckee, the Department has an obligation to deliver the crossing to the City in good repair.

The UPRR plans to start construction at this crossing in May 2000.

REASON FOR INCREASE

The original service contract for \$300,000 was based on providing concrete surfacing for five tracks at the grade crossing. During the design process, the City of Truckee requested that the number of tracks at the grade crossing be reduced to three to minimize crossing exposure. The revised project will remove two tracks within the grade crossing limits by merging them with the existing tracks on either side of the crossing. Due to this change, expensive switches must be installed on both sides of the crossing. This added scope has resulted in the cost increase for the project.

FUNDING OPTIONS

OPTION A: Approve this request as presented above for \$520,000 to allow this project to be voted.

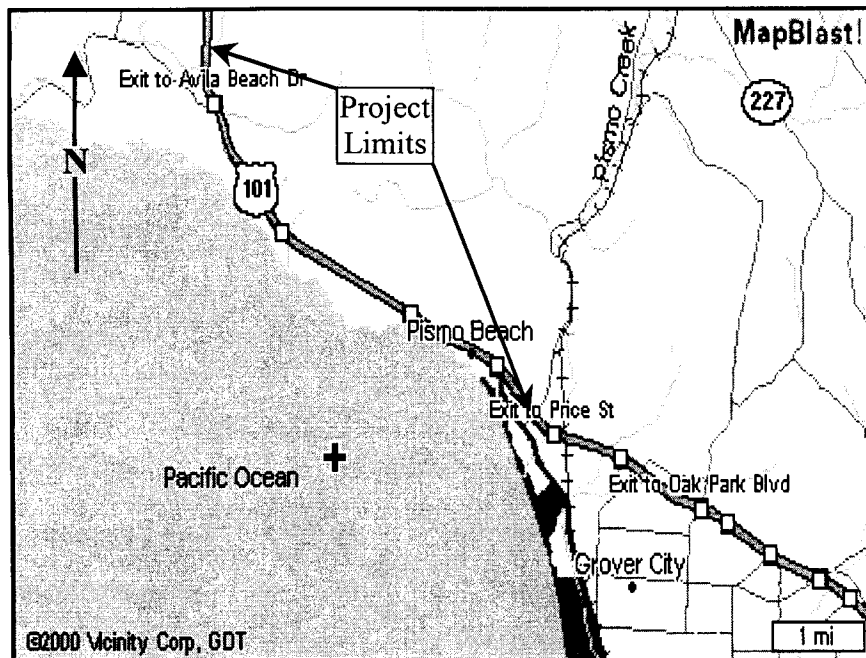
OPTION B: Deny this request and crossing will not receive safety improvement.

In order to provide maximum safety for the travelling public, the crossing needs to be resurfaced. Reducing the number of tracks at the grade crossing increases the safety of travelling public by minimizing the amount of time the vehicles need to be within the track area. The project, as proposed, provides the best approach for this much needed safety improvement. Denying this request will prevent the Department from fulfilling its commitment to the City of Truckee to deliver the grade crossing in good repair as part of the Highway 267 relinquishment.

RECOMMENDED OPTION

The Department recommends that this request for \$520,000 be approved as presented in Option A above to begin construction of this safety project.

Project # Allocation Amount Recipient County Dist-Co-Rte Postmile	Location Project Description Reason for Supplemental Funds	EA PPNO Budget Year Item # Program Codes Program	State Federal Current Budget Amount	State Federal Additional Allocation	State Federal Revised Total Amount
2 \$1,207,000 Department of Transportation	In Pismo Beach, from Pismo Overhead to San Luis Obispo Creek. Rehabilitate roadway.	423401 (0540) 1999-00 301-0042			
San Luis Obispo 05S-SLO-101 16.2/R21.5	Supplemental funds are needed to allow award.	301-0890 20.20.201.120 SHOPP	\$681,000 \$5,259,000 \$5,940,000	\$138,000 \$1,069,000 \$1,207,000	\$819,000 \$6,328,000 \$7,147,000



PROJECT DESCRIPTION

This project is on State Route 101 in the City of Pismo Beach, in San Luis Obispo County, between the north end of the Pismo Overhead and south end of the San Luis Obispo Creek Bridge. The project will rehabilitate the northbound and southbound pavement, and provide safety improvements.

The project has not been awarded.

FUNDING STATUS

The project was programmed in the 1998 SHOPP for \$5,873,000 and was allocated in August 1999 for 5,940,000. This request for \$1,207,000 to award the contract will result in an overall increase of 20% over the original allocation.

BACKGROUND

The 1992 Pavement Condition Survey and a preliminary 1995 Deflection Study were used to evaluate the condition of the pavement within the proposed project limits. The study has revealed that the slabs are starting to deteriorate at an accelerated rate. This project proposes to overlay the existing Portland Cement Concrete (PCC) pavement with Asphalt Concrete (AC).

REASON FOR INCREASE

The low Contractor's bid for this project was substantially higher than the Engineer's Estimate. The cost increase is distributed over more than a dozen items. The greatest increase is in the item for Traffic Control System, which was bid \$311,000 above the Engineer's Estimate. The Contractor plans to subcontract most of the work for Traffic Control because their yard is more than an hour and a half from the project site.

The Contractor's bid for high early strength concrete for slab replacements is \$213,000 above the Engineer's Estimate. The Asphalt Concrete item contributed to an increase of \$198,000. Other significant increases include Lighting Modification (\$80,000), Shoulder Backing (\$78,000), and Fencing (\$74,000). The remaining \$253,000 of the increase is distributed across eight items ranging from Roadway Excavation to Metal Beam Guard Rail. The Contractor cited low production rates and higher labor rates for many of the increases.

FUNDING OPTIONS

OPTION A: Approve this request as presented above for \$1,207,000 to allow the contract for this project to be awarded.

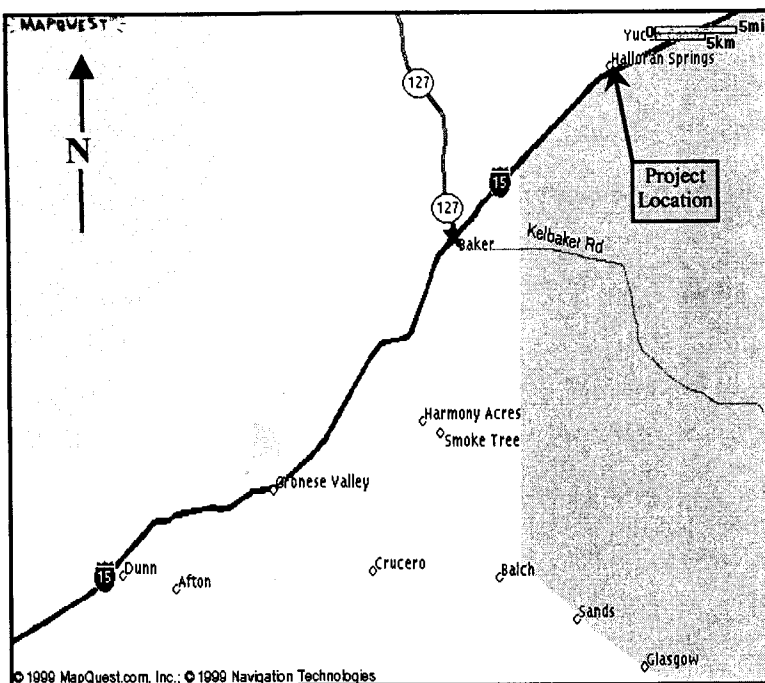
OPTION B: Deny this request, direct the Department to reject the bids, revise the project and re-advertise.

The Department considered this option, but does not believe that re-advertisement would result in substantially lower bids. Delay for revisions and re-advertising would extend the construction from one to two seasons.

RECOMMENDED OPTION

The Department recommends that this request for \$1,207,000 be approved as presented in Option A above to allow the contract for this project to be awarded.

Project # Allocation Amount Recipient County Dist-Co-Rte Postmile	Location Project Description Reason for Supplemental Funds	EA PPNO Budget Year Item # Program Codes Program	State Federal Current Budget Amount	State Federal Additional Allocation	State Federal Revised Total Amount
3 \$1,614,000 Department of Transportation San Bernardino 08S-SBd-15 R199.5/R222.9 (KP)	Near Baker, south of Razor Road Overcrossing to north of East Baker Overcrossing. Rehabilitate roadway. Supplemental funds are needed to allow award.	437801 (0175G) 1999-00 301-0042 301-0890 20.20.201.120 SHOPP	\$956,000 \$7,377,000 \$8,333,000	\$185,000 \$1,429,000 \$1,614,000	\$1,141,000 \$8,806,000 \$9,947,000



PROJECT DESCRIPTION

This project is on Interstate 15, in San Bernardino County, near Baker. The project involves rehabilitation of existing pavement, and minor drainage and safety improvements.

FUNDING STATUS

This project was programmed in the 1998 SHOPP Midcycle Revision for \$9,087,000 in the 1999/2000 fiscal year. The project was allocated in November 1999 for \$8,333,000.

This request for \$1,614,000 to award the project is 19% over the original allocation.

BACKGROUND

Interstate 15 in San Bernardino County has heavy volumes of both commercial trucks and passenger vehicles. This project was initiated in August 1996 based on a recommendation from the Maintenance Program.

REASON FOR INCREASE

The lowest bid is higher than the Engineer's Estimate. There has been no scope change and the cost increase is attributed primarily to the cost of Asphalt Concrete (AC) and the Traffic Control System.

The higher bid price for AC has resulted in an increase of \$1,526,000. This increase is attributed to the remoteness of the project site and the lack of aggregate material close to the project location. Specific items contributing to the increase include hauling aggregate material, special desert mix aggregate and the lime treatment requirement, as well as the recent increase in oil cost.

There is a \$307,000 increase in the item for Traffic Control System. This increase in cost is because two shifts will be required to perform the work and the number of working days was increased after the allocation. A portion of these increases are offset by other items that were bid lower than the Engineer's Estimate, thus resulting in a net increase of \$1,614,000 above the original allocation.

FUNDING OPTIONS

OPTION A: Approve this request for \$1,614,000 to allow this project to be awarded.

OPTION B: Deny this request, direct the Department to redesign within the budgeted amount, and re-advertise the project.

The Department has considered these options. Analysis confirmed that the project, as submitted, incorporates the minimum required improvements to complete this much needed roadway rehabilitation improvement project. Redesign would delay the improvements without any expected reduction in cost.

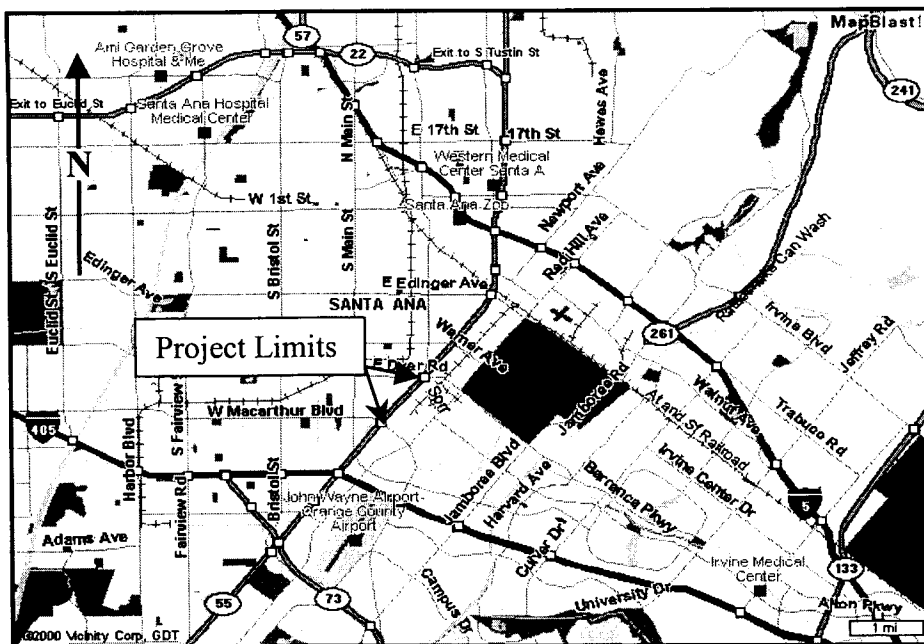
OPTION C: Deny this request and direct the Department to re-advertise the project

Thirteen proposals were issued and the prices bid by the lowest five bidders for the items discussed earlier are very close. The Department has no reason to believe that re-advertising this project would attract a greater number of bidders or that it would receive a lower bid.

RECOMMENDED OPTION

The Department recommends that this request for \$1,614,000 be approved as presented in Option A above in order to allow timely award of this project.

Project # Allocation Amount Recipient County Dist-Co-Rte Postmile	Location Project Description Reason for Supplemental Funds	EA PPNO Budget Year Item # Program Codes Program	State Federal Current Budget Amount	State Federal Additional Allocation	State Federal Revised Total Amount
4 \$205,000 Department of Transportation Orange 12S-Ora-55 R11.2/R13.4 (KP)	In Santa Ana, from MacArthur Boulevard Undercrossing to north of Dyer Road Undercrossing. Widen undercrossing and reconstruct ramp. Supplemental funds are needed for ongoing project.	025931 (3457B) 1997-98 301-0042 301-0890 20.20.201.120 SHOPP	\$297,500 \$2,295,500 \$2,593,000	\$24,000 \$181,000 \$205,000	\$321,500 \$2,476,500 \$2,798,000



PROJECT LOCATION & DESCRIPTION

This project is on State Route 55, in Santa Ana, in the County of Orange, from MacArthur Boulevard Undercrossing to 0.7km North of Dyer Road Undercrossing.

This project widens the existing concrete bridge at northbound Dyer Road Undercrossing. The project also widened and reconstructed the southbound MacArthur Boulevard Off-Ramp, Dyer East Off-Ramp, and northbound Route 55 Dyer Road Off-Ramp. The project is approximately 98% complete.

FUNDING STATUS

This project was split from a parent project programmed in the 1998 SHOPP. The project was voted in February 1999 for \$2,853,000. The project was awarded for \$2,188,000. In September 1999, the Department made a supplemental allocation in the amount of \$405,000 using its authority under Resolution G-12, for contract change order work. This request for \$205,000 in supplemental funds results in an overall increase of 28% over the awarded amount.

BACKGROUND

This operational improvement project widens the existing concrete bridge at northbound Dyer Road Undercrossing. The project also widened and reconstructed the southbound MacArthur Boulevard Off-Ramp, Dyer East Off-Ramp, and northbound Route 55 Dyer Road Off-Ramp.

REASON FOR INCREASE

The cost increase is primarily for change order work that is recommended by the Department's Safety Review Committee and Maintenance Program. The additional work was not included in the original contract. The estimated additional cost is \$146,000. Additional funds in the amount of \$53,000 is needed to modify the existing telephone connection cabinet at MacArthur Boulevard and Route 55, to replace landscaping and the irrigation system in the Dyer Road median, and to add a drainage system adjacent to the southbound Route 55 Dyer East Off-Ramp. Approximately \$6,000 is needed to pay the contractor for the work performed to place additional erosion control to comply with Regional Water Quality Control Board (RWQCB) requirements.

FUNDING OPTIONS

OPTION A: Approve this request as presented above for \$205,000 to allow this project to be completed.

OPTION B: Deny this request and direct the department to perform the additional work under a separate contract.

The Department considered this option. Delaying the work recommended by the Safety Review Committee and the Maintenance Program may jeopardize the safety of the travelling public. The drainage system has to be in place to avoid flooding of the Dyer East Off-Ramp. The ramp metering at the MacArthur Boulevard area will not be functional if the telephone connection cabinet work is not performed immediately. The Contractor has already performed the erosion control work to avoid potential fines from the RWQCB. Department's failure to compensate for the work will expose the contract to claims.

RECOMMENDED OPTION

The Department recommends that is request for \$205,000 be approved as presented in Option A above, to allow this project to be completed.